

# Cellmid Ltd

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## Cellmid Ltd secures funds to launch hair loss product in U.S.

Cellmid Ltd (ASX:CDY) has received commitments to raise \$3 million through the placement of shares to sophisticated and institutional investors priced at \$0.03.

Funds raised will be used to launch the evolis® FGF5 inhibitor hair loss products in the U.S. market.

Together with the recent \$1.2 million raised through the exercise of options, funds will allow Cellmid to invest into the launch through product manufacture, digital and social media, salons and high end retail distribution.

Cellmid recently recorded over \$1 million in sales for its hair loss products during the September quarter for the first time ever.

The company's consumer health business currently sells its hair loss products in Australia and Japan.

### Background

Cellmid has two business segments, consumer health and its midkine (MK) portfolio.

The company holds the largest and most comprehensive portfolio of intellectual property relating to the MK and FGF5 globally, and its consumer health division currently sells hair growth products in Japan and Australia, which were developed using FGF5 related intellectual property.

Cellmid aims to follow in the footsteps of FGF5 by commercialising its MK portfolio, and it has set up dedicated subsidiaries, Lyramid Limited and Kinera Limited as part of its clinical development plan to commercialise its MK antibody assets.

### September quarter sales

The consumer health business sells hair loss products in Australia and Japan and September quarter Australian sales grew by 115%, with the new national advertising program showing strong results.

Overall sales for the quarter were up by 30% compared with the same period last year.

The consumer health business operates at over 70% gross margin providing very strong profitability potential as the business scales up through sales growth and new market entry.

Sales from the U.S. are expected to commence in the current December quarter.

**Price:** A\$0.5

**Market Cap:** A\$28.46M

### 1 Year Share Price Graph



### Share Information

**Code:** CDY

**Listing:** ASX

**52 week High Low**  
0.8p 0.35p

**Sector:** Pharma & Biotech

**Website:** www.cellmid.com.au

### Company Synopsis:

Cellmid Ltd (ASX:CDY) is listed on the Australian Securities Exchange.

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## Analysis

Securing funding to support the U.S. market entry is significant as it is the biggest single market for hair loss treatments with combined sales of circa US\$3.5 billion annually.

The U.S. market is comprised 57.7% of minoxidil based products, which cater mostly for men.

Cellmid's evolis® range is formulated for both men and women.

This is particularly important as almost half of those suffering from hair loss are women without a safe and effective treatment alternative.

Colour Collective, Cellmid's U.S. distribution partner, sees evolis® as a US\$100 million plus brand in the U.S.

Shares in Cellmid have been trending positively with the placement price of \$0.03 representing a 25% share price increase year to date.

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